



4191-02U

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA 2017-0044]

Privacy Act of 1974; Matching Program

AGENCY: Social Security Administration (SSA).

ACTION: Notice of a New Matching Program.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces a new computer matching program that we are currently conducting with the Internal Revenue Service (IRS).

This computer matching agreement sets forth the terms, conditions, and safeguards under which IRS will disclose to SSA certain return information for the purpose of verifying eligibility for the Prescription Drug Subsidy Program (Subsidy) and or determining the correct subsidy percentage of benefits provided under section 1860D-14 of the Social Security Act (Act).

DATES: The deadline to submit comments on the proposed matching program is 30 days from [INSERT THE DATE OF PUBLICATION IN THE FEDERAL REGISTER].

The matching program will be effective on November 11, 2017, or once a minimum of 30 days after publication of this notice has elapsed, whichever is later. The matching program will expire on May 10, 2019.

ADDRESSES: Interested parties may comment on this notice by either telefaxing to (410) 966-0869, writing to Mary Ann Zimmerman, Acting Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, Social Security Administration, 617 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235-6401, or email at Mary.Ann.Zimmerman@ssa.gov. All comments received will be available for public inspection at this address.

FOR FURTHER INFORMATION CONTACT: Interested parties may submit general questions about the matching program to Mary Ann Zimmerman, Acting Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, by any of the means shown above.

SUPPLEMENTARY INFORMATION: The Computer Matching and Privacy Protection Act of 1988 (Public Law (Pub. L.) 100-503), amended the Privacy Act (5 U.S.C. 552a) by describing the conditions under which computer matching involving the Federal government could be performed and adding certain protections for persons applying for, and receiving, Federal benefits. Section 7201 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508) further amended the Privacy Act regarding

protections for such persons.

The Privacy Act, as amended, regulates the use of computer matching by Federal agencies when records in a system of records are matched with other Federal, State, or local government records. It requires Federal agencies involved in computer matching programs to:

- (1) Negotiate written agreements with the other agency or agencies participating in the matching programs;
- (2) Obtain approval of the matching agreement by the Data Integrity Boards of the participating Federal agencies;
- (3) Publish notice of the computer matching program in the Federal Register;
- (4) Furnish detailed reports about matching programs to Congress and OMB;
- (5) Notify applicants and beneficiaries that their records are subject to matching; and
- (6) Verify match findings before reducing, suspending, terminating, or denying a person's benefits or payments.

We have taken action to ensure that all of our computer matching programs comply with the requirements of the Privacy Act, as amended.

Mary Ann Zimmerman,
Acting Executive Director,
Office of Privacy and Disclosure,
Office of the General Counsel.

PARTICIPATING AGENCIES: SSA and IRS

AUTHORITY FOR CONDUCTING THE MATCHING PROGRAM: The legal authority for Internal Revenue Code (IRC) section 6103(1)(7) authorizes IRS to disclose return information with respect to unearned income to Federal, state, and local agencies administering certain benefit programs under the Act. Section 1860D-14 of the Act requires the Commissioner of Social Security to determine the eligibility of applicants for the prescription drug subsidy who self-certify their income, resources, and family size. Pursuant to section 1860D-14(a)(3) of the Act (42 U.S.C. 1395w-114(a)(3)), SSA must determine whether a Social Security Part D eligible individual is a subsidy-eligible individual, and whether the individual is an individual as described in section 1860D-14(a) of the Act.

PURPOSE(S): The purpose of this matching program is to sets forth the terms, conditions, and safeguards under which IRS will disclose to us certain return information for the purpose of verifying eligibility for the Prescription Drug Subsidy Program

(Subsidy) and or determining the correct subsidy percentage of benefits provided under section 1860D-14 of the Act. (42 U.S.C. 1395w-114). This matching agreement between IRS and us is executed under the Privacy Act of 1974, (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988, and the regulations and guidance promulgated thereunder.

CATEGORIES OF INDIVIDUALS: The individuals whose information is involved in this matching program are beneficiaries who apply for Medicare prescription drug subsidy under section 1860D-14 of the Act. They will self-certificate on the application form the applicant's income, resources, and family size. We will verify each applicant's self-certification information before making a subsidy determination. When Medicare beneficiaries apply for the subsidy, and we cannot otherwise verify the income information provided on an application, SSA discloses to IRS the applicant's name and Social Security number.

CATEGORIES OF RECORDS: When beneficiaries apply for the Medicare prescription drug subsidy under section 1860D-14 of the Act, they must self-certify on the application form the applicant's income, resources, and family size. Once each year, we electronically transmit the identifying information of each current subsidy recipient to IRS.

When there is a match of individual identifier, IRS discloses to us:

- a. Payee Account Number,
- b. Payee Name and Mailing Address,
- c. Payee Taxpayer Identification Number (TIN),
- d. Payer Name and Address,
- e. Payer TIN, and
- f. Income Type and Amount.

SYSTEM(S) OF RECORDS: We will provide IRS with identifying information with respect to applicants for, and recipients of, the prescription drug subsidy from the existing Medicare Database (MDB File) system of records, 60-0321 published at 71 Fed. Reg. 42159 (July 25, 2006). Unearned income information provided by IRS is maintained in the MDB File. IRS extracts return information with respect to unearned income from the IRMF, Treasury/IRS 22.061, as published at 77 Fed. Reg. 47946 (August 10, 2012).

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